



# STATE OF IOWA

CHESTER J. CULVER, GOVERNOR  
PATTY JUDGE, LT. GOVERNOR

DEPARTMENT OF HUMAN SERVICES  
CHARLES J. KROGMEIER, DIRECTOR

October 27, 2009

Kathy Hanlon  
Legislative Services Agency

Dear Kathy,

This is in response to your request for an overview of the TANF – PROMISE JOBS program for the Job Training Needs Committee.

Brief Overview of the PROMISE JOBS program:

DHS administers the Family Investment Program (FIP), which provides cash assistance to low-income families with children. To address the problem of unemployment and help families become self-supporting, and to meet TANF work participation requirements, DHS contracts with Iowa Workforce Development for delivery of the PROMISE JOBS program, which provides work and training services for FIP participants. PROMISE JOBS is an acronym for "Promoting Independence and Self Sufficiency through Employment, Job Opportunities and Basic Skills."

Federal regulations require 50% of nonexempt individuals on all TANF cases and 90% of those in two-parent families to participate a minimum number of hours in work and training activities. Target rates are adjusted for the caseload reduction credit – a reduction in the work rate goals a state must meet based on any decrease in the caseload compared to the base year. Iowa's estimated target rate for FFY2009 is 31.58% for all cases and 48.13% for 2-parent cases. Both FIP and PROMISE JOBS are funded with Federal Temporary Assistance for Needy Families (TANF) Funds under Title IV-A of the Social Security Act and State of Iowa General Funds that are used to meet TANF Maintenance of Effort (MOE) requirements.

The goal of FIP is to provide temporary assistance while helping participants leave public assistance and become self-supporting. Federal regulations limit FIP assistance to 60 months in a lifetime. Assistance beyond 60 months is only granted in six-month intervals, when the family has a hardship preventing them from being self-supporting and they are making efforts to overcome those barriers.

To apply for FIP, families must file an application with DHS and provide verification of their circumstances. Approximately 72% of the cases applying for FIP contain one or two parents who must participate with PROMISE JOBS. These FIP applicants are referred to Iowa Workforce Development. Case managers employed by IWD or one of its subcontractors meet with the required family members to develop a personal responsibility contract, called a family investment agreement (FIA). Development of the FIA is an eligibility requirement for receipt of FIP in Iowa.

The following persons are exempt from PROMISE JOBS and the FIA requirements:

- Children under 16 who are not parents.
- Children age 16-18 who are not parents and in school.
- Persons receiving Supplemental Security Income (SSI).
- Persons who are not citizens and who do not have an eligible alien status.
- Caretaker relatives who are applying for FIP for children only and not applying for their own needs.

The FIA outlines what the individual will do to become self-sufficient and the supports the state will provide. FIA activities include:

- Assessment
- Job readiness and job-seeking skills training
- Employment
- Basic education (high school completion, GED, and ESL)
- Postsecondary education (short-term training and AA, BA, and BS programs)
- Work experience
- Community service
- Family Development and Self-Sufficiency (FaDSS) program participation and other family development services, and parenting skills training.

Supportive services provided under the IWD contract include case management, facilitated workshops such as “Job Club” and “Workplace Essentials,” and the identification and approval of child care and transportation payments needed to participate in certain FIA activities. PROMISE JOBS also identifies and approves assistance with direct education costs, such as tuition, for basic education and short-term training.

Failure to follow the FIA requirements results in a full family sanction, called a limited benefit plan (LBP).

- Under a **first** limited benefit plan, the family loses FIP until they sign another agreement. There is no time limit to a first limited benefit plan so a family can reapply and be eligible again at any time as long as they sign the agreement.
- If the participant fails again to follow their FIA requirements, the family loses FIP for a minimum of six months under a **subsequent** limited benefit plan.

#### PROMISE JOBS Service Delivery

DHS currently contracts with Iowa Workforce Development (IWD) for the delivery of PROMISE JOBS program services. DHS also has an agreement with the Bureau of Refugee Services (BRS) to provide PROMISE JOBS services to refugee families who have not yet attained US citizenship and who are not English proficient.

PROMISE JOBS services are delivered statewide. IWD is divided into 15 service delivery regions (SDRs). IWD employees handle about half the PROMISE JOBS cases and IWD subcontractors the rest. PROMISE JOBS subcontracts by SDR:

Region 1: Upper Explorerland (Decorah/Postville) (COG), and East Central Intergovernmental Association (Dubuque)

Region 2: North Iowa Area Community College

Region 3&4: NW Iowa Planning & Development Commission (COG)

Region 5: Iowa Workforce Development (no subcontractor in this area)

Region 6: Iowa Valley Community College

Region 7: Hawkeye Community College

Region 8: Region XII Council of Governments (COG)

Region 9: Eastern Iowa Community College ([low@Work](#))

Region 10: Kirkwood Community College

Region 11: Des Moines Area Community College

Region 12: Western Iowa Tech Community College/Job Training Partners

Region 13: Iowa Western Community College

Region 14: Matura Action Corp. (CAA)

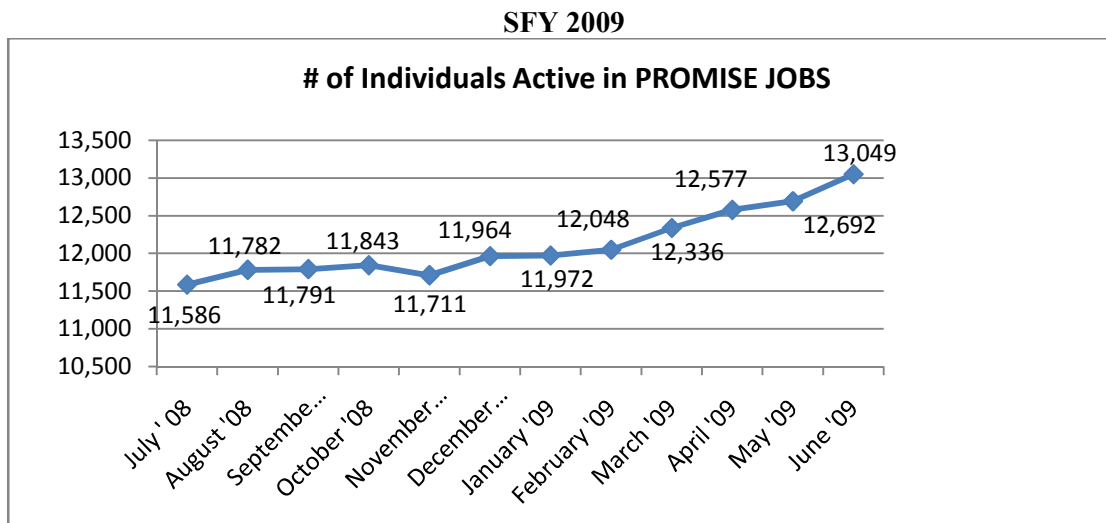
Region 15: Indian Hills Community College

Region 16: Southeastern Community College

Each region receives a share of the PROMISE JOBS “Basic” budget. This share is calculated based on 50% of the previous year’s allocation, and 50% of the caseload as determined by DHS. Each region then determines how the funds will be shared between IWD and the subcontractor. These funds are used to pay staffing costs and necessary overhead to support service delivery in the local offices.

#### Current Recipients

The number of PROMISE JOBS participants has been increasing throughout SFY 2009. Due to the economic downturn it has also been more difficult for people currently receiving FIP benefits to find employment. They are competing for the same jobs as persons with more education and better work histories. As recently unemployed lowans begin to exhaust their eligibility for Unemployment Insurance benefits, we expect to see more families applying for FIP, and referred to PROMISE JOBS.



#### PROMISE JOBS Funding

A total of \$21,638,263 was appropriated for the PROMISE JOBS program for SFY 2010 consisting of \$13,084,528 in federal TANF funds and \$8,553,735 in state funds. These funds have been initially allocated as follows:

| Item                                                                                                                            | Federal TANF | State       | Total                     |
|---------------------------------------------------------------------------------------------------------------------------------|--------------|-------------|---------------------------|
| PROMISE JOBS services contract with IWD                                                                                         | \$12,225,099 | \$2,332,408 | \$14,557,507 <sup>1</sup> |
| PROMISE JOBS services provided by the DHS' Bureau of Refugee Services                                                           | \$559,429    | \$0         | \$559,429                 |
| Client costs associated with participating in PROMISE JOBS activities. Includes approved transportation and education expenses. | \$0          | \$6,221,327 | \$6,221,327               |
| DHS Administration                                                                                                              | \$300,000    | \$0         | \$300,000                 |
| Total                                                                                                                           | \$13,084,528 | \$8,553,735 | \$21,638,263              |

<sup>1</sup> NOTE: For SFY 9, the contract budget for IWD showed that 6% of the contracted money was allotted for central office and 94% for field/subcontractors

The final allocation is primarily dependent on the amount of state funds ultimately spent on PROMISE JOBS allowances for the SFY. To ensure that the state meets its MOE requirement under TANF, all state funds appropriated for PROMISE JOBS are expended each year. This means that to the extent the state funds allocated for allowances are not spent the funds are reallocated and spent under the contract with Iowa Workforce Development.

If you have any further questions, please contact us again.

Sincerely,

Ann Wiebers, DHS and Lori Adams, IWD